



# CITY OF LODI

## COUNCIL COMMUNICATION

**AGENDA TITLE:** Notification of Municipal Service Center (MSC) Compressed Natural Gas (CNG) Expansion Project Contract Change Order

**MEETING DATE:** November 15, 2006

**PREPARED BY:** Public Works Director

**RECOMMENDED ACTION:** This item is for information only. No action is required.

**BACKGROUND INFORMATION:** This information is being given to the City Council in accordance with the Contract Change Orders Policy approved by Resolution 85-173. One of the requirements of this policy is that we inform Council of change orders when a specific change order exceeds \$25,000, or the total of all change orders exceeds ten (10) percent of the formal contract. The attached contract change order, approved by the City Manager, was in the amount of \$17,315, which is 38.8% of the original contract. This project consists of the installation of additional Compressed Natural Gas (CNG) fueling equipment within the existing fueling facility at the Municipal Service Center (MSC).

The contract change order work includes: Re-doing the existing supply piping to nine (9) existing slow fill stations by installing new above-ground stainless steel tubing, abandoning the existing underground supply piping, and installing one (1) sacrificial anode. This change is necessary to correct deficiencies with the cathodic protection system installed by the City's former contractor at the time the CNG station was originally constructed. The City is in litigation with this former contractor.

The time of completion was adjusted to add fifteen (15) additional working days.

**FISCAL IMPACT:** The cost of this change order will be paid for out of the balance of moneys withheld from the contractor for the original CNG station installation (which will cover approximately 60% of this change order), and the remainder will come from the Transit Facilities Upgrade Account, which has sufficient funds to cover the difference.

**FUNDING AVAILABLE:**

Contract Amount:	\$44,602
Budgeted Fund:	MSC CNG Station Capital Account – 60%
	Facilities Upgrade Account (Transit) – 40%

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Ruby Paiste, Financial Service Manager

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Richard C. Prima, Jr.  
Public Works Director

Prepared by Dennis J. Callahan, Fleet and Facilities Manager  
Attachment

cc: Deputy City Attorney  
Transportation Manager  
Fleet Services Supervisor

**APPROVED:** \_\_\_\_\_  
Blair King, City Manager

CITY OF LODI  
PUBLIC WORKS DEPARTMENT

CONTRACT CHANGE ORDER NO. 3

Sheet 1 of 1  
Date 10/10/06  
Account No: 125582.7720

PROJECT: City of Lodi Municipal Service Center (MSC) Compressed Natural Gas (CNG)  
Compressor Installation Project 90876  
1331 S. Ham Lane PMI Job No. 98858 Jc

CONTRACTOR: Performance Mechanical, Inc.  
3232 51<sup>st</sup> Avenue, Suite 7  
Sacramento, CA 95823

You are directed to make the following changes or do the following work not included in the Plans and Specifications on this contract.

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Description of work to be done, estimate of quantities, and prices to be paid:

**Extra work, per Proposed Change Order #008, to Re-do Existing Supply Piping by Installing New Stainless Steel Supply Tubing to Nine (9) Slow Fill Stations, and to Supply and Install One (1) Sacrificial Anode Per Engineer's Details.**

Agreed Lump Sum Price \$ 17,315.00

		PERCENT OF CONTRACT
Original Contract Price	\$ 44,602.00	
Total Cost of This Change Order NOT TO EXCEED	\$ 17,315.00	38.82%
Previous Change Orders	\$ 3,087.00	
Total Cost of All Change Orders to Date	\$ 20,402.00	45.74%
Contract Price, Including All Change Orders, Will Be:	\$ 65,004.00	

Time of completion will be adjusted as follows: **Fifteen (15) Working Days Added to Contract Completion Date**

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Submitted By Don Callahan Date 10/10/06  
Approval Recommended Don Callahan Date 10/10/06  
Approved, Public Works Director Thomas J. Callahan Date 10/11/06  
Approved, City Manager (Per Public Works Policies and Procedures, Administration 4.1) 12/1/06 Date 10/12/06

The undersigned contractor, having carefully considered the change proposed, agrees, if this proposal is approved, to provide all equipment, furnish all materials, except as otherwise noted above, perform all services necessary for the work above specified, and accept as full payment the prices shown above.

ACCEPTED: Date 10/11/06 Contractor PMI  
By Don Callahan Title Supervisor

If the contractor does not sign acceptance of this order, the contractor should refer to Section 4-1.03A of the Standard Specifications regarding filing a written protest within the specified time.